



## **RESOLUTION #21-19**

### **A RESOLUTION ESTABLISHING A RESIDENTIAL AND SMALL BUSINESS REAL ESTATE TAX RELIEF PROGRAM AND AMENDING THE AMERICAN RESCUE PLAN FUND FOR THE FISCAL YEAR ENDING JUNE 30, 2022**

WHEREAS, the City Council of Williamsburg desires to assist residents and small businesses facing economic hardships due to the COVID-19 pandemic: and

WHEREAS, the City of Williamsburg's real estate tax rate increased four cents per hundred to offset a budgetary structural imbalance that was accelerated due to COVID's impact on revenues and City Council desires to offer relief to certain residents and small businesses that have been negatively impacted;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Williamsburg hereby adopts a Residential and Small Business Real Estate Tax Relief Programs to assist households and small businesses economically disadvantaged due to COVID-19. The Human Services Department will administer the Residential Real Estate Tax Relief Program, and the Small Business Real Estate Tax Relief program will be administered by the Economic Development Department; and

**BE IT FURTHER RESOLVED**, by the City Council of the City of Williamsburg, Virginia:

1. The real estate tax relief will be equal to the FY 2022 real estate assessment divided by 100 and multiplied by 4%;
2. The property must be located in the City of Williamsburg, and for residents, it must be their primary residence. Proof of residency will be required;
3. A small business is defined as a business with fewer than 20 full-time employees at any time during the COVID-19 state of emergency (March 13, 2020, through June 30, 2021);
4. Applicants will be required to complete an application and;
  - a. Residents must be able to document the loss of income of 20% or more due to the COVID-19 pandemic.
  - b. Households must be at or below 80% area median income as determined by

the United States Department of Housing and Urban Development – FY 2020 Income Limits Summary – Median Family Income - 80% Income Limit based on number of persons in the family. Documentation will be the Adjusted Gross Income (AGI) from the applicant's 2019 and 2020 tax forms or other documentation in lieu of that information;

- c. Small businesses must be able to document a 20% reduction in gross receipts from January 1, 2020, through December 31, 2020, compared to January 1, 2019, through December 31, 2019, and agree to have the City of Williamsburg's Commissioner of Revenue validate such documentation;
5. That the City Manager shall administer this program in strict adherence to the Charter and Code of the City of Williamsburg, as amended, and the laws of the Commonwealth of Virginia and the American Rescue Plan Act (ARPA);
6. Funding allocation for this program is \$750,000. Applications will be accepted September 13, 2021, through November 30, 2021, or until funding appropriated is expended. Any unexpended funds will revert back to fund balance and be available to fund other ARPA-approved projects or programs;
7. The costs for administering and auditing this program will be funded using additional ARPA funds and are anticipated not to exceed 5% or \$37,500 for the program. Any unexpended funds will revert back to fund balance and be available to fund other ARPA-approved projects or programs;
8. The budget of the American Rescue Plan Fund for Fiscal Year Ending June 30, 2022, is hereby amended to appropriate funding for purposes as indicated:

**American Rescue Plan Revenues:**

Transfer from reserves	<u>\$787,500</u>
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**American Rescue Plan Expenditures:**

Residential and Small Business Real Estate Relief Program	\$750,000
Real Estate Relief Program Administrative Expense	<u>37,500</u>
Total Expenditures	<u>\$787,500</u>

9. This resolution shall take effect upon its adoption by City Council.

**PASSED AND ADOPTED** by the City Council of the City of Williamsburg, Virginia, on September 9, 2021.

Attest: Sandi L. Filicko  
Sandi L. Filicko, City Council Clerk

Douglas G. Pons  
Douglas G. Pons, Mayor